TELLS THE FACTS AND NAMES THE NAMES

CounterPunch

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The High Line

A Place for "Human Humans"

By Carl Ginsburg

In the midst of a ferocious fiscal crisis – with New York City's Mayor Michael Bloomberg declaring, "maintaining fiscal prudence is our number one priority" – one Manhattan neighborhood opened a new park this summer, called the High Line. It is the latest in Green Everything. Stretching nearly one and a half miles, pebble-dash concrete walkways studded with dark-gray stones, mimicking fine terrazzo, unify the High Line's central trail, lined with rugged meadow plants – liatris and coneflowers, scattered stands of sumac ("reminiscent of *Ailanthus altissima*, the 'tree of heaven,'" reported Martin Filler in *The New York Review of Books*) and smokebush – no fewer than 210 species of plants. At one end, a grove of mixed birch trees combines with built-in benches of ipe timber (oops, it's endangered) to provide shade and comfort. "A New York fairy tale," – Robin Pogrebin in the *New York Times*; "an incredible celebration of urban architecture," – Amy Goodman of *Democracy Now!* "Gorgeous!" – Jerry Seinfeld; a place for "human humans," – media mogul Barry Diller, at the park's opening gala, in a phrase sure to roll Stephen J. Gould over in his grave. The High Line's price tag: $152 million, so far, with another $30 million on the way to compete the remaining half-mile at the Line's north end.

Yet another luxury park in another affluent neighborhood funded by government? When other park projects are being slashed or eliminated? When there's no money for *anything*? Even as notices went out from public schools, telling parents "to bring in a ream of paper"? How does New York City get away with it?

It got away with it with one of the

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Former Bertelsmann High-Flier Plummets to Earth

New York Times Director Probed for "Breach of Trust"

By Eamonn Fingleton

In his heyday, hardly a week went by when Thomas Middelhoff, erstwhile rock star of German business, wasn't lauded in the American business press. As chief executive first of the Bertelsmann publishing house and then of the KarstadtQuelle retailing empire, he built a reputation for ramming American ways down the throat of a stodgy German corporate establishment. Proclaiming himself an "American with a German passport," he entered the big leagues in 1998, when he led Bertelsmann's takeover of Random House, the crown jewel of the American book business. Soon he seemed more comfortable in New York than at Bertelsmann's headquarters in Gutersloh. Along the way, he was elected a director of the *New York Times* company – believed to be the first non-American to be inducted into that body.

Less has been heard of Herr Middelhof lately – and this despite the fact that his career has taken probably its most sensational turn yet. Middelhoff is now the subject of a German investigation on charges of breach of trust and, if the German broadcasting station Deutsche Welle is to be believed, fraud is suspected. The probe was ordered in June by German Justice Minister Brigitte Zypries and followed closely on the collapse of KarstadtQuelle, or rather of Arcandor, as the group had been renamed by Middelhoff after he took control in 2005.

Given that he still serves on the *New York Times*'s board (and in a prominent albeit non-executive capacity at that), the American press might have been expected to have leapt on the story. Not a bit of it. True, the *Wall Street Journal* ran one paragraph about the investigation but did so belatedly without mentioning the *New York Times* connection.

There has been virtually nothing else, not even in the *New York Times* itself. While much of the rest of the American press can plead cluelessness (somnambulance seems to be the default mode in American financial journalism these days – see *CounterPunch*'s article on the Madoff affair in this newsletter for February 1-15, 2009. *Times* editors surely can't pretend not to have noticed. There seems little doubt that the *Times* consciously suppressed the news.

To be sure, Middelhoff has not been convicted of anything nor has he – not yet, at least – even been charged. He is officially suspected of having benefited from an outsized conflict of interest. It would appear that Middelhoff and his wife invested in a fund that bought some of Arcandor's buildings and then leased them back to the company at inflated rents. As reported by the London *Evening Standard*, the amounts allegedly at issue ran to millions of euros as the fund "repeatedly" hiked Arcandor's rents. Middelhoff has denied wrongdoing, saying that the fund bought the buildings before he became chief executive. Whatever the truth, he evidently showed terrible judgment in not immediately winding up his investment on taking office at Arcandor.

In any case, even absent this unfortunate sideshow, Middelhoff has long seemed a foolish pick by the Sulzberger family that controls the *Times*. He is a noted self-promoter who has often been accused by his more sharp-eyed compa-

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triots of smoke-and-mirrors managerial methods. By contrast, other *Times* directors are mainly worthy but unsung types.

Reporting on Arcandor's collapse in June, Derek Scally of the Dublin-based *Irish Times* presented Middelhoff as little more than a sharp-suited supersalesman whose main stock in trade was "enough confidence to sell a tanker of snake oil."

What is clear is that Middelhoff built his reputation largely on just one spectacular deal. This was forged in 1995 when, as head of Bertelsmann's Internet division, he joined with American Online to serve the European market. The investment boomed during the wild New Economy Bubble of the late 1990s, and Middelhoff managed to get Bertelsmann out before the do-com crash at a vast profit, close to the top. To his admirers, this was a masterstroke; to his detractors, merely an amazingly lucky crap shoot.

The detractors came to include Liz Mohn, wife of Bertelsmann's controlling shareholder, Reinhard Mohn; and, after losing a feud with her in 2002, Middelhoff was forced out. In a stinging rebuke, Reinhard Mohn publicly tore into Middelhoff's attempts to impose a Gordon Gekko-style "greed is good" ethos at Bertelsmann. Implicitly castigating Middelhoff as being interested only in personal financial gain and glory, Mohn argued for the traditional German view that the care of the work force was the true measure of a German corporation's success.

Serious cracks began to appear in the Middelhoff façade soon after he took charge of KarstadtQuelle/Arcandor. He owed the appointment mainly to his rapport with the company's key shareholder, the heiress Madeleine Schickedanz. As the company's finances deteriorated, he became ever more reckless in promising an early turnaround. It was clear from the start that his strategy would be to sweep the company's fundamental problems under the carpet in favor of searching – Wall Street-style – for a quick financial fix. Many of his statements were speedily revealed to have been bombast at best. Within weeks of taking the job, he forecast that Arcandor would "very quickly" become a financial holding company (this was in the days when hedge-fund managers were still the "smartest guys in the room"). He went on to claim to have forged a life-saving deal with the Pirelli tire company. In a public statement, Pirelli shot back that "no agreement whatsoever" had been reached. In the same vein, Middelhoff instead suggested that several unnamed bidders were lining up to buy a 49 per cent stake in the company's real estate. Somehow none materialized. (This deal is not to be confused with another one involving a 51 per cent stake in the same assets – a deal, in which Goldman Sachs became embroiled, to its subsequent regret.)

There seems to be little doubt that the *Times* consciously suppressed the news – and did so to spare the *Times* company's top brass.

Given the *Times* boardroom had previously been pervaded by a rather parochial Upper East Side mindset, Middelhoff's appointment seems to have been self-consciously conceived as a signal that the *Times* was henceforth embracing the borderless world not just as an editorial page shibboleth but as a management strategy. It was probably not a coincidence that, a few weeks earlier, the *Times* had taken full control of the Paris-based *International Herald Tribune*, a global newspaper which had previously been a largely independent venture owned jointly with the *Washington Post*. One of Middelhoff's contributions, it was hoped, would be to help put that chronically unprofitable business on a solid financial footing.

The *Times*'s discomfiture is compounded by the fact that Middelhoff sits on the company's key compensation committee. In this capacity, he shares with four other directors responsibility for setting compensation for top executives, not least presumably the editors who kept their peace about the German investigation.

He also serves on the board's finance committee – a particularly unfortunate circumstance given that the *Times* is struggling to rebuild its financial credibility after a near-death experience last year.

Perhaps most embarrassing is the fact that Middelhoff ranks as one of the *Times*'s "Class B" directors. In the *Times*'s jerry-rigged corporate structure, Class B directors function as a praetorian guard perpetuating family control. Just how important the Class B directors' contribution is can be judged from the fact that though the equity interest of the Sulzberger and other insiders is just 13 per cent, they enjoy unchallenged control over the company.

A search of *NYT* archives turns up hundreds of references to Middelhof, mostly friendly if not adulatory. The plaudits continued even after it became obvious he was floundering at Arcandor. In 2006, for instance, *Times* reporter Heather Timmons had him claiming that Arcandor's huge debt burden – the same lump of financial lead that was destined to sink the business – would soon be cleared. "We are on track to becoming an absolutely normal company again," he told her. Was there another side to the story? Timmons evidently didn't inquire. Nor did she mention Middelhoff's *Times* connection.

In 2007, the *International Herald Tribune* ran an even more starry-eyed account of the miraculous doings at Arcandor. This time the offending report had been culled from the Bloomberg news service, rather than cooked up in-house. Even by the ecstatic standards Middelhoff had come to expect at the zenith of his career, Bloomberg delivered a puff piece to end all puff pieces. The

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tenor can be judged from this quote, attributed to a London-based securities analyst, "The situation looks very good indeed... It's a classic story: the combination of good management, reduction in costs. The stock has changed from the speculative category to blue chip." The *Tribune* recycled all this without mentioning Middelhoff's insider status at the *Times*. Perhaps, the *Tribune* had no idea whose tummy it was tickling, but that seems unlikely given that its top editor was Michael Oreskes, a man long schooled in company politics from an extended period in the *Times*'s home office.

As for the *Times*'s failure to flag Middelhoff's current troubles, the sequence of events strongly suggests a cover-up. Reports of the real estate probe appeared in the German press as far back as the first week of June, and at least one English-language account had been published – in the English-language edition of the *Handelsblatt* newspaper – by June 8. The following day Carter Dougherty, a Frankfurt-based *Times* group reporter, published a detailed report on Arcandor's troubles but without mentioning the probe. (In a one-sentence reference to Middelhoff, Dougherty noted simply that "until last year, Arcandor was run by Thomas Middelhoff, who is a director of *The New York Times* Company.")

Did Dougherty include a reference to the probe in his filed copy and was the reference deleted by higher-ups? We can't be sure because neither Dougherty nor anyone else in the *Times*'s editorial hierarchy is answering *CounterPunch*'s questions (which were routed via the company's public relations officer Diane McNulty). Even a separate attempt to reach the paper's Public Editor Clark Hoyt drew a blank.

The larger point here is how lamentably weak the *Times* seems at every level these days. The story of the company's handling of Middelhoff affair testifies – in a small but telling way – to the void at the top of the *Times*'s management hierarchy. Not only was Middelhoff always an inappropriate choice for the *Times* board, but he had surely already passed his sell-by date when the Sulzbergers embraced him in 2003. **CP**

Eamonn Fingleton is the author of *In the Jaws of the Dragon: America's Fate in the Coming Era of Chinese Hegemony*. He can be reached at efingleton@gmail.com

GINSBURG CONTINUED FROM PAGE 1

deadliest weapons in the arsenal of the elites, one invoked with such certainty and skill, one guaranteed to capture ubiquitous headlines, the dreaded "fiscal crisis," a crisis, however, as phony as the WMD paraded before the U.N. that gave justification for slaughter and destruction 6,000 miles away. This WMD – *the fiscal force* is deployed right here, at home, inside the Beltway and emanating to every state, city and village in America. More than today's bank "rescues," "retention" bonuses, "Great Recessions" and even the almighty "recovery" and other gimmicks invoked by the plutocrats' spokesmen – marauding monetarists like Summers and Geithner, super valets to the super

Yet another luxury park in another affluent neighborhood funded by government? When other park projects are being slashed or eliminated? When there's no money for anything else?

elites – the fiscal crisis has served for generations as the ultimate control mechanism for maintaining wealth and privilege, and for holding the ordinary folks at bay.

The big, bad budget and the big, bad government that inflicts it is nothing more than a big, bad lie. Since the days of JFK, revenue collections – that is – tax rates, have decreased. Kennedy dropped tax rates down in 1963, Reagan in 1986, to the point where the elites saw a return to the Mellon cuts of 1926. Add in loophole after loophole, cuts in estate taxes, 15 per cent rates for private equity firms, discounted capital gains tax, real estate/development tax abatements, and you start to appreciate just how very free the free market is and why American elites pay their government the least in the industrial world. Throw into the mix a growing population and the result is plain: galloping economic inequality and less government spending, stagnant wages amid greater productivity, free trade and loss of good jobs. Not to mention that the plutocrats, having raided the poor with bogus mortgages and ripped off an estimated 100 million Americans with usurious levels of credit card interest, threw in for good measure a broadside on the public coffers: the biggest giveaway to financial institutions in history. Except for the estimated $10 trillion in cash sitting in private accounts, we're broke.

That's a formula that presents a problem for those who live below stairs or who are headed in that direction. "Below stairs" turns out to be a very, very crowded place, a sea of concrete, with overrun green patches. It is a human terrain where cultures of "irresponsibility" and "pathologies" fester. Upstairs, in New York City's tony neighborhoods, one sees an abundance of parks neatly integrated into nice neighborhoods, an enormous infusion of green which, over the last decade, has multiplied many times over. "We love rich people," said NYC Mayor Michael Bloomberg.

Do you want to know what Michael Bloomberg supposedly hates? You guessed it: fiscal crisis. In order to lead the fiscal charge, Bloomberg broke his solemn pledge to voters – not to run again.

The fiscal weapon is being used ev-

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erywhere – government workers laid off, teachers let go, new Medicaid limitations imposed. In California, fiscal deficits are expected to nearly double the number of uninsured children – to two million kids from about 1.1 million in 2007. For perspective, the $32.6 billion in bonuses paid to Wall Streeters in 2008, the year the bailout commenced, is one third *larger* than California's budget deficit. President Obama's latest addition to his Profile in Courage has a fiscal source: the elimination of health services for illegals.

New York, the Empire State, is caught in those fiscal shoals. The state's budget gap is expected to reach $38.2 billion over the next four years, considered a full-blown fiscal crisis. In the first three months of this fiscal year alone, income tax collections fell 35 per cent, some of which is now attributed to "a change in the way the wealthy report their earnings," according to the *New York Post*. That "change" means that New York's 100 to 150 wealthiest taxpayers, including the richest person in New York City, Michael Bloomberg, are on course to pay about half the taxes they paid in 2008. The shortfall trend is hardly new. Says Mayor Bloomberg, "[New York State] has been spending more than they're taking in for a long time, and it's going to come home to roost ..."

There will be no roosting in Chelsea. A short cab ride from Wall Street, between Manhattan's midtown, a world-class shopping district, and Greenwich Village, an old, quaint and comfortable neighborhood where really rich people like to be together, Chelsea is thriving. The boom never stopped. Scores of new glass condo towers, boasting the latest in green amenities and selling for well in excess of $1 million per bedroom, have arisen between rows of 19th century townhouses, trading hands in the $4 million range. Groundbreakings are continuing, a sure sign that the "recession is over," as a recent story in *Newsweek* proclaimed, or at least that the GDP is headed into positive ground. What a relief. Despite all the new construction, Chelsea's density remains very low. It is a place for people who like other people a lot, just in limited numbers.

Chelsea is still a place where you can get a sushi dinner for two with a bottle of Summer Snow (an unfiltered chilled sake) for $150. If you can get in. Restaurants are packed with youngish Wall Streeters who do what high rollers do best: engineer jobless recoveries via high frequency algorithmic trading and live high. Several blocks of galleries set up shop in the late '80s and became a very trendy destination. These extend to the Hudson River where parks, bike and running paths abound. There is a helicopter pad too.

The High Line is the latest addition to the neighborhood. It's upstairs. No kidding. "The sleek, silvery stairway ascending to the High Line at the southernmost terminus would befit the Milan Metro," Martin Filler wrote. You can also access this upscale Upstairs on elevators, as did the caterers who served at Calvin Klein's fashion company's 40th anniversary bash, held there at a cost of $3 million.

Restaurants are packed with youngish Wall Streeters who do what high rollers do best: engineer jobless recoveries via high frequency algorithmic trading and live high.

Built in the early 1930s as an elevated railway line, the tracks, sitting 30 feet above the street, were abandoned for many years until a community group, Friends of the High Line, coalesced in an inspired move to transform the line into a superelegant park and make a bunch of money. In all fairness, where else could you put a $180 million park? In the Bronx? Where hundreds upon hundreds of residential blocks unfold with hardly any green at all? That would defy the laws of urban planning. It was, after all, in Greenwich Village in 1962 and again in 1968 where the urban activist Jane Jacobs stood her ground and stopped a highway from coming through, having seen in the Bronx what a major roadway, the Cross Bronx, can do to neighborhoods. Jacobs saved Soho in the process, which, like Chelsea, is another Manhattan community of very militant, very rich people, whose idea of mixed use is to live over galleries and a few fancy furniture stores, and who know to stay off the Cross Bronx, today a major truck thoroughfare and contributor to near epidemic levels of childhood asthma in the minority communities along the road. Jacobs, by the way, moved to Toronto. Anyway, the point is that no one in the Bronx showed the initiative to form a Friends of the High Line. Perhaps, they were too busy trying to figure out how dozens of acres of Bronx park land were stolen away by the Yankees, with the help of Mayor Bloomberg and Borough President Adolfo Carrion Jr., who actually no longer resides in the Bronx, having recently moved to the cleaner air of 1600 Pennsylvania Avenue to work as Obama's urban affairs chief.

In the face of fiscal woes, New York City initially wired $50 million to the Friends' account to get the green ball rolling and about an additional $40 million was raised from donors, including $10 million from the great "human human" Diller, whose Gehry-designed corporate HQ is adjacent to the High Line. Hotel developer Andre Balazs – owner of Chateau Marmont in LA – did his part, straddling his new 337-room Standard Hotel on the Line. Hedge-funder Philip Falcone and his wife, Lisa Marie, matched Diller's $10 million, even though they live not in Chelsea but Uptown, in another very rich Manhattan neighborhood, an act deemed magnanimous by New York's press corps, making these Upper East Side strangers the talk of the town. Yes, that's the same corps – warriors of the fiscal army – that attributes those asthma rates to "behavior problems," as does our president. "Behavior" is at the center of the fiscal crisis, a very convenient notion for the withholding of public funds and key to its long life: you cannot fix behavior problems with fiscal policy – or, as Daniel Patrick Moynihan, who held some rank in the fiscal wars, remarked, "It's more than economics." Sure it is. That's why thirty new projects are planned or underway along the High Line, as the Friends plow ahead, wielding the fiscal weapon without quarter. In reality, the Upstairs culture and its latest mostly-*public*-funded/mostly-*private*-enhancing endeavor, the High Line, is a mix of high-end development, green leisure and government assistance. Green Welfare. **CP**

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Rural Revolution in Colombia Goes Digital

By Elyssa Pachico

The mountain went dark. Flicking on a light switch or turning the bathroom faucets did nothing, and even the telephone lines had gone silent. Tacueyó is one of the fourteen indigenous reservations in Colombia's southwestern Cauca department, a thickly forested region, dominated both by small-scale coffee farmers and roving bands of Colombia's Marxist revolutionary group, the FARC. And, in April 2002, with the power lines cut and telephones useless, residents knew this signaled one overwhelming fact: the FARC were at last planning a violent takeover of the area.

With no other means of communicating, farmers and local government leaders headed straight to their only remaining link with the outside world – a cramped, dingy Internet center in the Santander de Quilichao reservation. Huddled around a flickering computer screen, powered by an emergency generator, the group sent minute-by-minute updates through Yahoo messenger to Cauca's municipal capital, as well as the region's one other Internet center, in the village of Pescador. Stories abounded: another power line had been cut – shots had been fired – a family had been rounded up and herded into the jungle, suspected of providing aid to Colombia's privately funded anti-FARC army, the paramilitaries.

Refugees compiled these few scraps of reliable information, then wrote up a plea for solidarity that was forwarded through an email list across Latin America. In Canada, an exiled Colombian labor activist translated the message into English, before forwarding the email to human rights watchdog organizations in the United States and Europe.

In less than 24 hours, the rickety computers in Tacueyó were suddenly bombarded with sympathetic and outraged letters from all over the world.

"When that listserve went out, the international community suddenly expressed solidarity with us, when otherwise we would have been left alone in the dark," said Vilma Rocio Almendra, a young web producer for Cauca's largest association of indigenous groups, known as ACIN. "We received emails from people across the globe demanding to know why the FARC was attacking a peaceful community."

And, more importantly, Almendra said, the incident made indigenous leaders aware of the power of the Internet.

"It's not a question of Internet coming in and transforming us," she said. "It's a question of us taking these technologies designed for a globalized, consumerist world and turning them into a tool that's useful for our needs."

"When that listserve went out, the international community suddenly expressed solidarity with us, when otherwise we would have been left alone in the dark."

The Internet has long been hailed as the weapon of choice for grassroots activists. Less reported, however, is the quiet online revolution in Latin America's most rural, isolated communities. Here, illiteracy remains high within primarily oral cultures, and a bus drive from one village to the next can take up to two hours on winding, muddy roads.

In Colombia, only about 30 per cent of the population has Internet access, 90 per cent of which is based in cities. Internet use in the countryside remains unusual, but for those who do have access to email accounts, Google and Skype, the web is increasingly becoming a robust tool for political organizing.

This became especially clear in Colombia during October 2008, when indigenous activists like Almendra used the Internet as the primary means for orchestrating protests that rocked the country for several days. Thousands of indigenous people from across the nation swamped the city of Cali, railing against paramilitary violence and the upcoming free trade treaty with the United States. And when things turned ugly, witnesses turned to the web in the same way that Iranians did this past June.

On October 14, 2008,the Colombian army opened fire on protestors, reportedly killing two and leaving sixty injured. The next day, the army opened fire again, reportedly killing one and injuring thirty-nine. Another major indigenous activist group in Cauca, known as CRIC, used the web to provide camera-phone footage of the military clashing with protestors, and documented more eyewitness accounts through email lists.

It is the strange nature of the digital divide that activist groups like CRIC and ACIN are able to maintain email lists with up to 40,000 subscribers, even while many residents in the indigenous reservations, where CRIC and ACIN are based, lack reliable electricity or drinkable water. That it is even possible for an organization like CRIC to instantly post photos of injured protestors online is partly due to the efforts of nonprofits and the Colombian government's information ministry. These are the institutions that spent the last decade building and staffing Internet centers, known as telecenters, in rural areas.

Unlike Internet cafes, where paying customers are left to their own devices, telecentres are free of charge and are often staffed by trained local residents. Staff members will show novices how to open personal email and Facebook accounts, how to find the latest market prices for coffee and sugar cane, and, most notably, how to stay politically informed.

"Just because someone's connected to the Internet doesn't automatically mean they're going to find the information they need," said Jhon Jairo Hurtado, who helped establish two telecentres in Colombia's Cauca region. "People may be coming in with limited knowledge of computers, but there's no question that people are extremely interested in accessing information about issues and concerns that are affecting the Latin American indigenous community as a whole."

Interest in using the web for political organizing is growing. Frustrated by lack of interest from the regional government, residents in Limon de Ochoa in the Dominican Republic put together a telecentre, even though the village lacked

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working telephones. Activists used a digital radio to establish an Internet connection, then lobbied directly with the United Nations Development Program and another international agency in order to secure support for basic housing and agricultural projects. Online organizing has also been a focal point for Honduras' afro-community, the Garifunas, as well as for the Asháninka and Shipibo communites from the Peruvian-Brazilian Amazon.

Hurtado calls the Internet an "immensely valuable tool" for indigenous activists in Colombia like the ACIN, particularly when it comes to keeping an eye on FARC and paramilitary movements in the countryside. The densely forested, Andean hills in Cauca are an especially contested region in Colombia's civil war. Groups like CRIC and ACIN are increasingly using the web to track the violence and warn their communities of possible bloodshed in the near future.

"We began using these tools [like the Internet] to help make our community more visible to the outside world, but also to protect our own territory," said ACIN member Almendra.

There are about 1,300 government-funded telecentres in Colombia's rural areas, and dozens more sponsored by nonprofit groups. But since farmers are unlikely to own personal computers, email and Facebook have yet to become the most efficient way of sharing information within large groups of people in the countryside. Radio predominates, as do the *perifoneos*, town criers who walk the village streets bellowing announcements such as the time and place for the latest local government meeting, or upcoming town hall debates about the Colombia-U.S. free trade treaty. To reach the more isolated farms, *perifoneos* will drive a truck into the mountains, blasting announcements from a loudspeaker.

"The Internet is like a window where we see the outside world, and let the outside world see us," said Almendra. "But these other technologies, like radio, are like a door into our world, and that's how most information enters and exits our community."

Consequently, telecentres like the one used by ACIN serve as information hubs. People like Almendra use the Internet to hungrily follow the struggles of other progressive, indigenous activists across Latin America, and then share the news within Cauca's indigenous reservations through radio shows, public debates, and the occasional print newsletter, titled *El Carpintero*.

Activists also record radio shows discussing local and international news compiled from the Internet, burn the radio programs to CDs, then distribute the disks to local bus drivers. The *chiva* is the traditional transportation of choice for many rural residents – jeeps that are painted startlingly bright red, yellow and white colors and haul chickens and pigs along with human passengers, who balance on the vehicle's rooftop or else cling precariously to the sides. On eight-hour *chiva* rides, previously dominated by static-filled salsa music, passengers now listen to CD recordings recounting the recent bloody protests in Peru, water privatization battles in Mexico, illegal mining contracts in Guatemala, Evo Morales' hunger strike – information collected online in the telecentres, then disseminated throughout the region.

Through methods such as these, ACIN says, indigenous communities are more aware than ever of transnational struggles faced by marginalized groups.

"When these rural areas are given these tools with which they can access all this information they might not previously have been aware of, we think this generates more active, participatory citizenship," said Julian Casasbuenas, a director of Colnodo, a nonprofit that builds telecentres across Colombia. "People become intensely interested in the outside world, but they also become intensely interested in what's happening on a local level, and they want to participate more in political decisions."

More of this political participation will be on display next October, when activists are reportedly planning another round of protests against paramilitary violence and the Colombian-U.S.free trade treaty. On indigenous reservations in southwest Colombia, it is common to hear the elderly relate stories about how local drug warlords in the 1970s threatened to cut off the tongues of any Indians heard speaking their native language. Now, among the younger generation, it seems the Internet is posed to become a waggling tongue impossible to sever. **CP**

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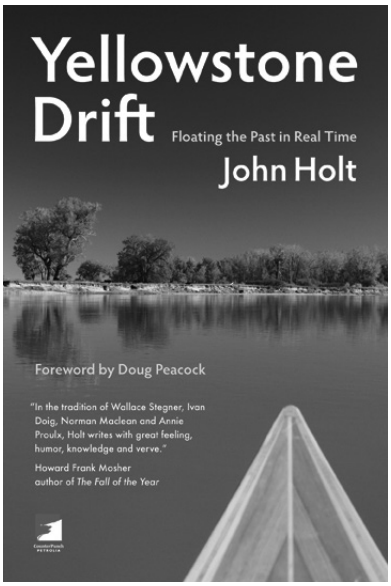
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"In the tradition of Wallace Stegner, Ivan Doig, Norman Maclean and Annie Proulx, Holt writes with great feeling, humor, knowledge and verve."
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In a time when everything seems to be regulated, controlled, and monitored, *Yellowstone Drift* is a refreshing and often exhilarating look at the natural wonder of Montana's Yellowstone River.

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Holt is the author of the acclaimed *Reel Deep* series of trout fishing books, the comic-gothic novel *Hunted*, and *Coyote Nowhere: In Search of America's Last Frontier*. He lives in Livingston, Montana, with his wife Ginny, a photographer.

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Diary of a Presidency
The Onslaught of the Israel Lobby

By Alexander Cockburn

Summertime bombs tossed seemingly casually by his vice president and his secretary of state disclose president Obama, in the dawn of his first term, already the target of carefully meditated onslaughts by senior members of his own cabinet.

At the superficial level, Obama is presiding over an undisciplined administration; on a more realistic and sinister analysis, he is facing mutiny, publicly conducted by two people who only a year ago were claiming that their qualifications to be in the Oval Office were far superior to those of the junior senator from Illinois.

The great danger to Obama posed by Biden's and Clinton's "time bombs" (a precisely correct description, if we call them political, not diplomatic time bombs) is not international confusion and ridicule over what precisely are the U.S. government's policies, but a direct onslaught on his presidency by a domestic Israeli lobby that is so out of control that it renders ridiculous Obama's puny attempt to stop settlements or to curb Israeli aggression in any other way.

Take Joe Biden. Three weeks ago, he gave Israel the green light to bomb Iran, only to be swiftly corrected by his boss. At the time, it seemed yet another, somewhat comical, mile marker in a lifetime of gaffes, perpetrated in the cause of self-promotion and personal political advantage. But Biden's subsequent activities invite a darker construction. In the immediate aftermath of Obama's Moscow visit, the air still soft with honeyed words about a new era of trust and cooperation, Biden headed for Ukraine and Georgia, harshly ridiculing Russia as an economic basket case with no future. In Tbilisi, he told the Georgian parliament that the U.S.A. would continue helping Georgia "to modernize" its military and that Washington "fully supports" Georgia's aspiration to join NATO and would help Tbilisi meet the alliance's standards. This elicited a furious reaction from Moscow, pledging sanctions against any power rearming Georgia.

Georgia could play a vital, enabling role in the event that Israel decides to attack Iran's nuclear complex. The flight path from Israel to Iran is diplomatically and geographically challenging. On the other hand, Georgia is perfectly situated as the takeoff point for any such raid. Israel has been heavily involved in supplying and training Georgia's armed forces. President Saakashvili has boasted that his defense minister, Davit Kezerashvili, and also Temur Yakobashvili, the minister responsible for negotiations over South Ossetia, lived in Israel before moving to Georgia, adding, "Both war and peace are in the hands of Israeli Jews."

Mitchell's appointment and the toothless blather about settlements were simply cosmetic, bones tossed to the increasing proportion of the American electorate that's grossed out by the ethnic cleansing of the Arabs from the Holy Land.

On the heels of Biden's shameless pandering in Tbilisi, Secretary of State Clinton took herself off to Thailand for an international confab with Asian leaders and let drop to a TV chat show that "a nuclear Iran could be contained by a U.S. 'defense umbrella,'" actually a nuclear defense umbrella for Israel and for Egypt and Saudi Arabia too.

The Israel lobby has been promoting the idea of a U.S. "nuclear umbrella" for some years, with one of its leading exponents being Dennis Ross, now in charge of Middle Eastern policy at Obama's National Security Council. In her campaign last year, Clinton flourished the notion as an example of the sort of policy initiative that set her apart from that novice in foreign affairs, Barack Obama.

From any rational point of view, the "nuclear umbrella" is an awful idea, redolent with all the gimcrack theology of the high Cold War era about "first strike," "second strike," "stable deterrence," "controlled escalation" and "mutually assured destruction," used to sell U.S. escalations in nuclear arms production, from Kennedy and the late Robert McNamara ("the Missile Gap") to Reagan ("Star Wars").

Indeed, as one Pentagon veteran remarked to me earlier this week, "the administration's whole nuclear stance is turning into a cheesy rerun of the Cold War and Mutually Assured Destruction, all based on a horrible exaggeration of one or two Iranian nuclear bombs that the Persians may be too incompetent to build and most certainly are too incompetent to deliver."

The Biden and Clinton "foreign" policy is: 1) to recreate the same old Cold War (with a new appendage, the U.S. versus Iran nuclear confrontation) for the same old reasons – to pump up domestic defense spending; and 2) to continue 60 years of supporting Israeli imperialism for the same reasons that every president from Harry to Dubya (perhaps barring Ike) did so: to corner Israel lobby money and votes. Regarding the latter, Obama did the same by grabbing the Chicago-based Crown and Pritzker family money very early in his campaign and by making Rahm Emanuel his very first appointment (the two are hardly unrelated).

So, right from the start Obama was already an Israel lobby fellow traveler. The Mitchell appointment and the toothless blather about settlements were simply cosmetic, bones tossed to the increasing proportion of the American electorate that's grossed out by the ethnic cleansing of the Arabs from the Holy Land. Obama does have a coherent strategy: keep the defense money flowing and increasing but without making so much noise as the older generation did about ancient Cold War enemies (e.g., Russia and Cuba). The White House-threatened veto of funds for more F-22s – to date, the one and only presidential issue, on which Obama has shown any toughness at all – is in no sense a departure from keeping the money flowing, since he is, indeed, increasing the defense budget, in part by using the F-22 cancelation to

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push spending on the even worse F-35 and to hide his acquiescence to all the other pork in the Congressional defense budget.

The window for any new president to impose a decisive change in foreign policy comes in the first three months, before opposition has time to solidify. Obama squandered that opportunity, stocking his foreign policy team with tarnished players such as Ross. As the calculated indiscretions of vice president Biden and secretary of state Clinton suggest, not to mention the arrogance of Netanyahu and his political associates, the window of opportunity has closed.

Would it have been that hard to signal a change in course? Not really. Obama could have excited the world by renouncing the Bush administration's assertion in the "National Defense Strategy of the United States" of 2002 – preserved in its essence in ensuing years – of the right and intention of the United States to pre-emptively attack any country "at the time, place, and in the manner of our choosing." As William Polk, the State Department's Middle East advisor in the Kennedy era, wrote last year, "As long as this remains a valid statement of American policy, the Iranian government would be foolish not to seek a nuclear weapon."

But Obama, surrounded with Clinton-era veterans of NATO expansionism and, as his Accra speech indicated, hobbled with an impeccably conventional view of how the world works, is rapidly being overwhelmed by the press of events. He's bailed out the banks. He's transferred war from Iraq to Afghanistan. The big lobbies know they have him on the run.

Hence Biden and Clinton's mutinies, conducted on behalf of the Israel lobby and designed to seize administration policy as Obama's popularity weakens. When the results of the latest Rasmussen presidential poll were published, showing Obama's declining numbers, there were news reports of cheering in Tel Aviv. And remember two useful guiding principles. First, it is impossible to overestimate the vanity of politicians, particularly of Joe Biden. Maybe, he secretly entertains some mad notion of challenging Obama in 2012, propelled by Israel lobby money withheld from Obama. Maybe, Bill is reminding HRC that he reached the White House in 1992 partly because the Israel lobby turned against George Bush Sr. Second principle: there is no such thing as foreign policy, neither in democratic governments nor in dictatorships. As Thalheimer's Law* decrees, all policy is domestic.

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* I was introduced to Thalheimer's Law by his nephew, Pierre Sprey, himself a valued friend and advisor to *CounterPunch* on matters ranging from statistics to weaponry (he was one of the designers of the A-10 and F-16 before the aerospace profiteers got their mitts on them) to high-end sound. (Go to his website, www.mapleshaderecords.com.) Pierre writes, "Dr. Siegfried Thalheimer was a brilliant political historian (and art historian), much published in Germany and France. Among many extraordinarily interesting books, he wrote the finest history of the Dreyfus Affair – one of the very few that makes clear that anti-Semitism had nothing to do with the heart of the affair, showing instead that it was, in fact, one of the earliest military-industrial-political conspiracies of the modern era."

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